



PACE STAKEHOLDER ENGAGEMENT

November 3, 2021

Q & A SESSION

- We will answer questions you have during the session at the end of the presentation
- Use the Q & A function to post your questions
- We'll answer as many questions as we have time for
- For those we don't have time to answer, we will post answers on our website

Stay Connected

- Visit our webpage and register for PACE updates
- A copy of today's presentation will be posted to the HFS PACE website

<https://www2.illinois.gov/hfs/MedicalProviders/pace/Pages/default.aspx>

HOUSEKEEPING



Our Vision for the Future

WE IMPROVE LIVES.

- ▶ We address social and structural determinants of health.
- ▶ We empower customers to maximize their health and well being.
- ▶ We provide consistent, responsive service to our colleagues and customers.
- ▶ We make equity the foundation of everything we do.



This is possible because...

...WE VALUE OUR STAFF AS OUR GREATEST ASSET. We do this by:	...WE ARE ALWAYS IMPROVING. We do this by:	...WE INSPIRE PUBLIC CONFIDENCE. We do this by:
<ul style="list-style-type: none">▶ Fully staffing a diverse workforce whose skills and experiences strengthen HFS.▶ Ensuring all staff and systems work together.▶ Maintaining a positive workplace where strong teams contribute, grow and stay.▶ Providing exceptional training programs that develop and support all employees.	<ul style="list-style-type: none">▶ Having specific and measurable goals and using analytics to improve outcomes.▶ Using technology and interagency collaboration to maximize efficiency and impact.▶ Learning from successes and failures.	<ul style="list-style-type: none">▶ Using research and analytics to drive policy and shape legislative initiatives.▶ Clearly communicating the impacts of our work.▶ Being responsible stewards of public resources.▶ Staying focused on our goals.



ILLINOIS PACE VISION

What is PACE?

- Comprehensive medical and social services program for individuals age 55 and over (mostly dually eligible), that
- Live in designated service area, and are
- Eligible for nursing home care, and are
- Able to live safely in the community

Goals for Illinois

- Improve health and wellness for individuals and communities
- Tailor solutions to meet the unique needs of individual communities
- Support healthcare delivery models that improve outcomes, decrease disparities, and are sustainable over time
- Align the PACE program strategy with the other HFS initiatives related to healthcare transformation.



ILLINOIS PACE VISION

Initial Target Service Areas

- West Chicago
- South Chicago
- Southern Cook
- Peoria
- East St. Louis



PACE PROJECT TEAM

Department of Healthcare and Family Services

- Kelly Cunningham, Medicaid Administrator
- Lisa Gregory, Medical Programs
- Dan Jenkins, Deputy Administrator of Rates and Finance
- Mark McCurdy, Bureau Chief, Long Term Care
- Kathleen Staley, Bureau Chief, Rate Development and Analysis
- Chad Harris, Project Manager

Myers and Stauffer LC

- Jared Duzan, CFE, Principal
- Renae Blunt, CPA, Senior Manager
- David Halferty, Senior Manager
- Rose Anne Howland, RN, MS, CHC, Senior Manager

Optumas

- Elrycc Berkman, ASA, MAAA
- Marshall Dupree



TODAY'S AGENDA

- Project Status
- Market Analysis
- PACE Service Regions
- Rate Setting Overview
- Preliminary Capitated Rates
- Approximate Timeline
- Request for Application Process
- Readiness Reviews
- Anticipated Go-Live Date

PROJECT STATUS



- Introduction of project
- Project team
- Key milestones
- Objectives for session

Market Analysis

- Initial Study Completed
- Recommended Service Areas

Preliminary Capitated Rates

- Established Preliminary Rates
- Identified Estimated Timeline for Update

Procurement Strategy

- Reviewed Potential Options for Contracting with PACE Organizations
- Request for Application Process Including Letter of Intent

Timeline

- Established Approximate Go-Live Date
- Identified Key Milestones Based on Go-Live Date

PROJECT STATUS OVERVIEW





MARKET ANALYSIS

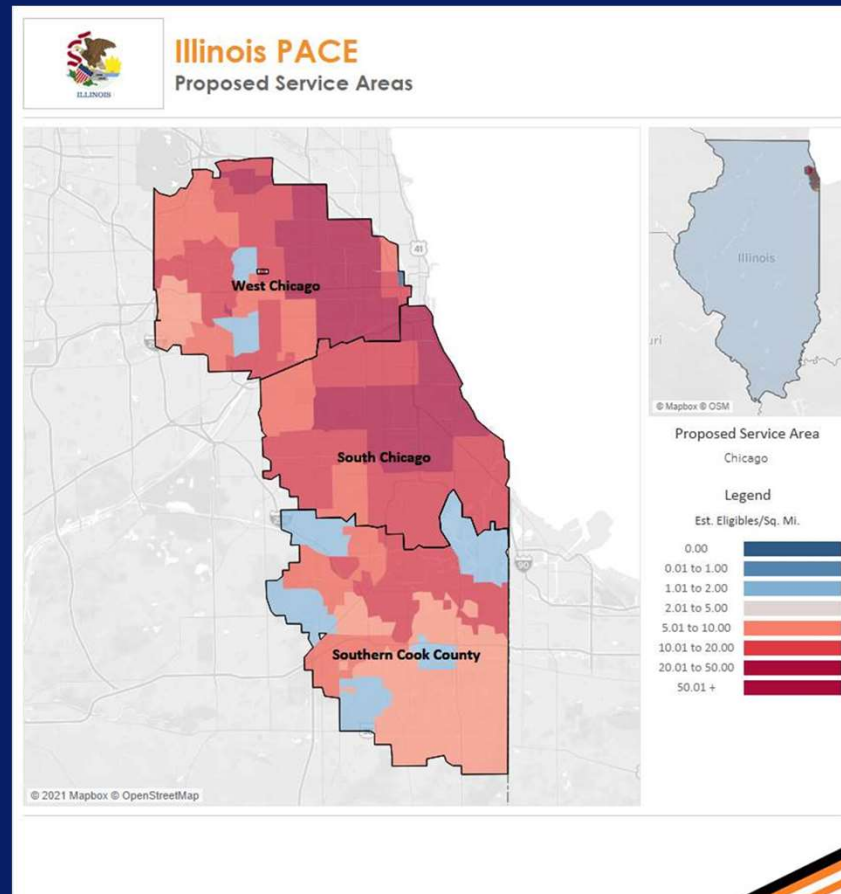
- Eligible Participants in Total Market Area
- Density of Total Market Area
- Estimated Eligible Participants in Core Market Area
- Density of Core Market Area

Target Market Criteria

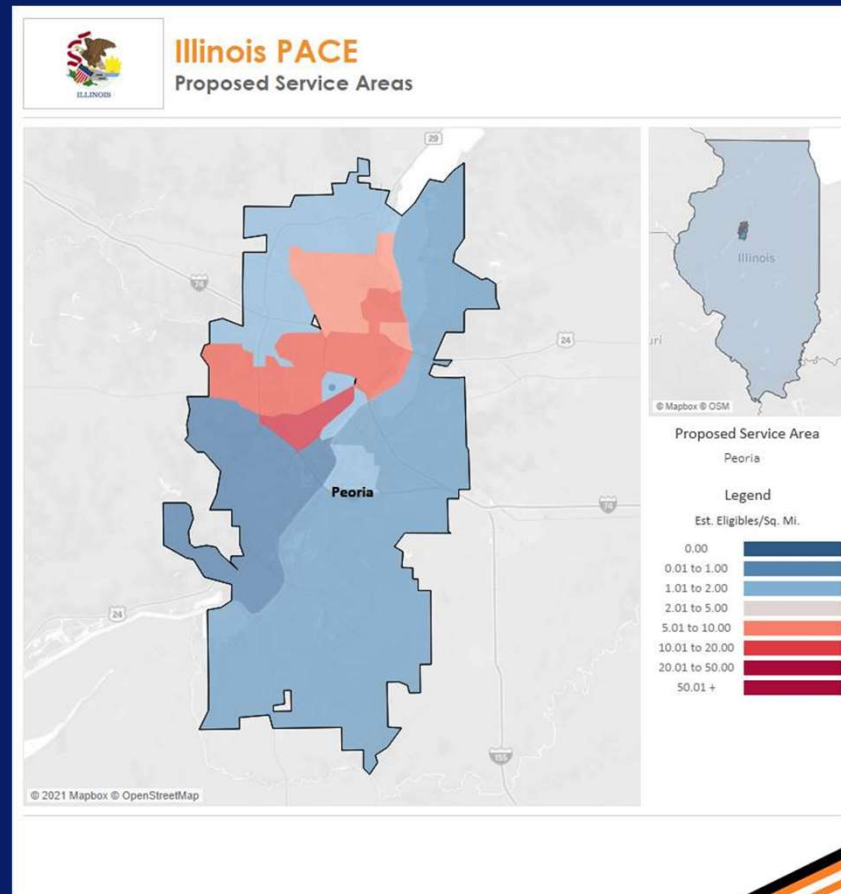
Estimated Eligible Participants in Total Market Area	>	1,000
Density of Total Market Area	>	1.00
Estimated Eligible Participants in Core Market Area	>	500
Density of Core Market Area	>	2.00
Total Land Area	<	1,200

Three Proposed Chicago Metro Service Areas:

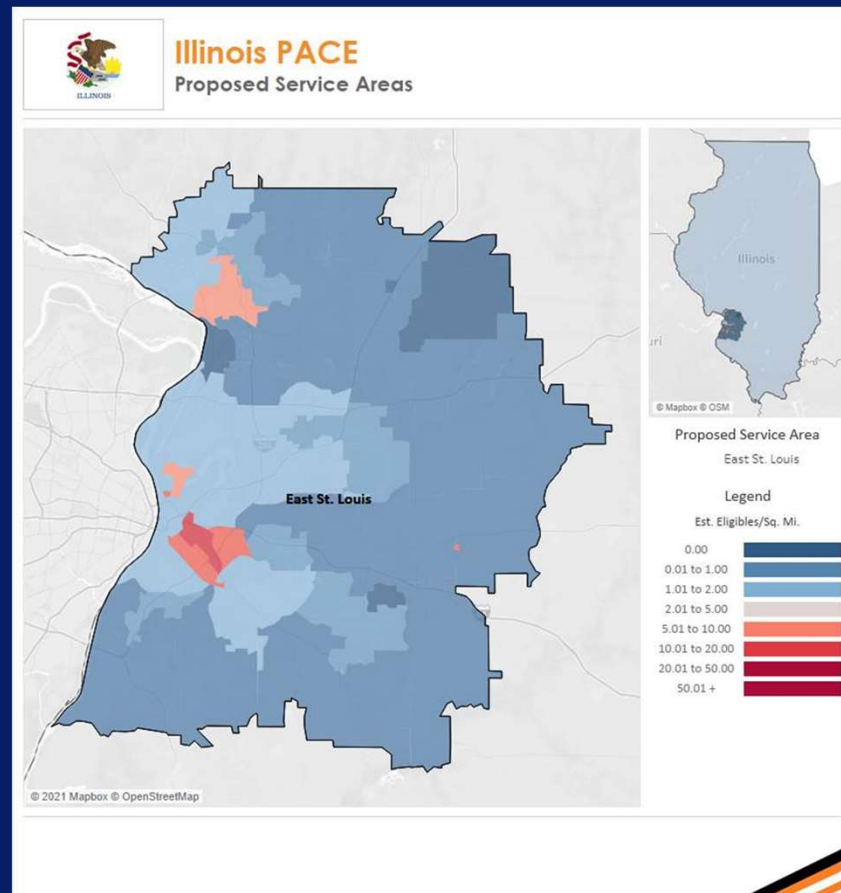
- West Chicago
- South Chicago
- Southern Cook County



Proposed Peoria Service Area



Proposed East St. Louis Service Area





SUMMARY OF PROPOSED PACE SERVICE AREAS

Summary Proposed Illinois PACE Service Areas

A	B	C	D	E	F	G	H	I	J	K	L
General Information			Population Data		Clinical Eligibility Estimates		Financial Eligibility Estimates		Clinical & Financial Eligibility Estimates		
PACE Organization	Location	Start Date	Total Population	Age 65+ Population	Age 65+ w/ Self-care Difficulty	Age 65+ w/ Independent Living Difficulty	Age 65+ Below Poverty Level (2009-2013)	PACE Income Limit Adjustment (Poverty % x 2.2)	Based on Self-Care Difficulty	Based on Independent Living Difficulty	Mean
			Census Table S0101	Census Table S0101	Census Table B18106	Census Table B18107	I/2.2	J/F	Sum for Market Area	Sum for Market Area	Sum for Market Area
West Chicago	Chicago		1,320,044	154,560	14,354	25,210	15.6%	34.2%	4,914	8,423	6,680
South Chicago	Chicago		1,105,464	160,170	14,679	28,128	15.7%	34.5%	5,071	9,642	7,361
Southern Cook County	Calumet City		439,330	63,637	5,374	9,684	11.0%	24.2%	1,302	2,401	1,860
Peoria	Peoria		209,850	36,055	2,819	5,349	9.0%	19.8%	558	1,018	789
East St. Louis	E. St. Louis		513,608	80,999	6,276	10,967	9.1%	20.0%	1,256	2,098	1,687



SUMMARY OF PROPOSED PACE SERVICE AREAS

Summary Proposed Illinois PACE Service Areas

A	B	C	M	N	O	P	Q	R	T	S
General Information			Market Performance		Market Characteristics				PACE Centers	
PACE Organization	Location	Start Date	Projected Enrollment	Projected Market Saturation	Total Market Area	Total Market Density	Core Market Area	Core Market Density	Projected Number of PACE Centers	Projected Enrollment Per Center
			L * 10%	Enter %	Sq. Miles	Est. Elig/Sq. Mi.	Sq. Miles	Est. Elig/Sq. Mi.	Enter #	L/K
West Chicago	Chicago		668	10.0%	134	49.80	17	124.48	3	223
South Chicago	Chicago		736	10.0%	128	57.55	33	126.32	4	184
Southern Cook County	Calumet City		186	10.0%	153	12.16	35	21.48	1	186
Peoria	Peoria		126	16.0%	220	3.59	68	8.01	1	126
East St. Louis	E. St. Louis		169	10.0%	1,182	1.43	134	5.71	1	169



PACE CRITERIA TABLE BY REGION

Target Market Criteria			West Chicago	South Chicago	Southern Cook County	Peoria	East St. Louis
Total Est. Eligible Residents	>	1,000	Met	Met	Met	Not Met	Met
Density of Total Market Area	>	1.00	Met	Met	Met	Met	Met
Core Market Eligibles Est.	>	500	Met	Met	Met	Met	Met
Density of Core Market Area	>	2.00	Met	Met	Met	Met	Met
Total Land Area	<	1,200	Met	Met	Met	Met	Met



SUMMARY OF PROPOSED PACE SERVICE AREAS

- HFS has developed 5 PACE Service areas; the goal of the state is to provide as much opportunity to vendors to secure a PACE contract as possible, and to provide access to quality PACE services in financially sustainable areas to meet the needs of our communities.
- Each applicant will be required to submit a letter of intent that will also reflect plans for their proposed service area from the 5 established regions.
- HFS will allow applicants to include additional contiguous zip codes with their proposed service region selection as long as those additions comply with the driving distance parameters.
- Ultimately, HFS will determine how zip codes are assigned to awarded PACE organizations.

RATE SETTING OVERVIEW



- Amounts That Would Otherwise Have Been Paid
- Preliminary Rates
- Regions
- Update Schedule
- Final Negotiated Rates



PACE PRELIMINARY CAPITATED RATES

- 2019 Claims data was used
- Trend factors were applied
- Preliminary rates calculated for two markets:
 - Cook and Collar Counties
 - Rest of State
- Preliminary rates will be refreshed in 2022



SUMMARY OF PRELIMINARY CAPITATED RATES (BLENDED PER MEMBER PER MONTH AMOUNTS)

Blend Summary

Dual Status	Age	Region	Facility/Wavier Mix		Regional Per Member Per Month Amounts and Blended Amounts that Would Otherwise Have Been Paid		
			Facility	Waiver	Facility	Waiver	Blended PMPM
Dual	Under 65	Cook-Collar Counties	63.5%	36.5%	\$6,227.69	\$2,063.80	\$4,706.45
Dual	65+	Cook-Collar Counties	31.3%	68.7%	\$6,275.50	\$2,231.16	\$3,495.37
Non-Dual (Medicaid Only)		Cook-Collar Counties	60.1%	39.9%	\$11,066.57	\$5,933.34	\$9,020.62
Dual	Under 65	Rest of State	50.6%	49.4%	\$4,595.32	\$1,480.78	\$3,058.13
Dual	65+	Rest of State	49.1%	50.9%	\$4,630.60	\$1,600.86	\$3,089.89
Non-Dual (Medicaid Only)		Rest of State	53.8%	46.2%	\$8,298.02	\$4,351.65	\$6,476.73

Note – final capitated rates will be determined based on a percentage of the Blended Per Member Per Month Amounts once the data is refreshed in 2022.



APPROXIMATE PACE TIMELINE

Milestone Title	Milestone Description	Target Date*
Conduct Stakeholder Engagement	Conduct stakeholder engagement through a public meeting format.	11/03/2021
Request for Application	Release Request for Application to award PACE organizations in established service areas.	11/19/2021
Letter of Intent	Interested PACE organizations submit letter of intent to include selection of service area zip codes.	11/29/2021
PACE Organizations Submit Questions	Interested PACE organizations submit questions to HFS.	11/20/2021-12/01/2021
PACE Organizations Submit Responses to Request for Application	Responses to Request for Application due from interested PACE organizations.	12/23/2021
Award Successful PACE Organization Applications	Notify successful PACE organizations by service area.	Spring 2022
* Target date is approximate and subject to change. Please monitor the HFS site for updates and other information about the PACE program.		



REQUEST FOR APPLICATION

- Anticipated release 11/19/21
- Questions will be accepted from PACE organizations (question window 11/20/21 – 12/1/2021 – early submission is encouraged)
- Official answers will be posted by HFS
- Potential PACE organizations should submit by 12/23/21
- Keep an eye on the stakeholder engagement website



READINESS REVIEWS

- Two phases of readiness reviews
 - Application documents review
 - Onsite readiness review
- Goal is to assist awarded PACE organizations



PACE GO-LIVE DATE

- July 1, 2023 (or thereafter based on CMS approval)
- Rates must be approved by CMS 90 days prior to Go-Live
- PACE organizations are subject to readiness review criteria before enrolling PACE members



Q & A PROTOCOL

- Myers and Stauffer and Optumas do not have decision making authority
- Oral responses are not binding
- Written questions must be submitted for a formal response
- All official answers will come from HFS
- Today's Q&A will be conducted through the chat box
- Questions captured today will be incorporated into an FAQ to be posted to the HFS PACE website
- A PACE email account is available at HFS.DMP.PACE@illinois.gov if you have additional questions.



OPEN DISCUSSION